



## HIGHLIGHTS

Property Price index increased by 3.8% QoQ in 3Q2022, bringing the overall private home price increase to 8.2% for the first 3 quarters of 2022.

Inventory of New Launches continues to stay low as Developers struggle to keep up with the market demand.

Demand for New Launches remains robust as seen on the high take-up rates for the past 5 quarters. However, overall sales volume fallen by 35% YoY.

Resale volume fell by 40% YoY, and will continue to fall for the following quarters due to the new 15-month wait period for Private Home Sellers buying HDB.

Copen Grand Sold 465 units (73%) on Launch day, making it the best [...]

**PROPERTY MARKET**

**URA REVISED GUIDELINE**

**NEW PROJECTS**

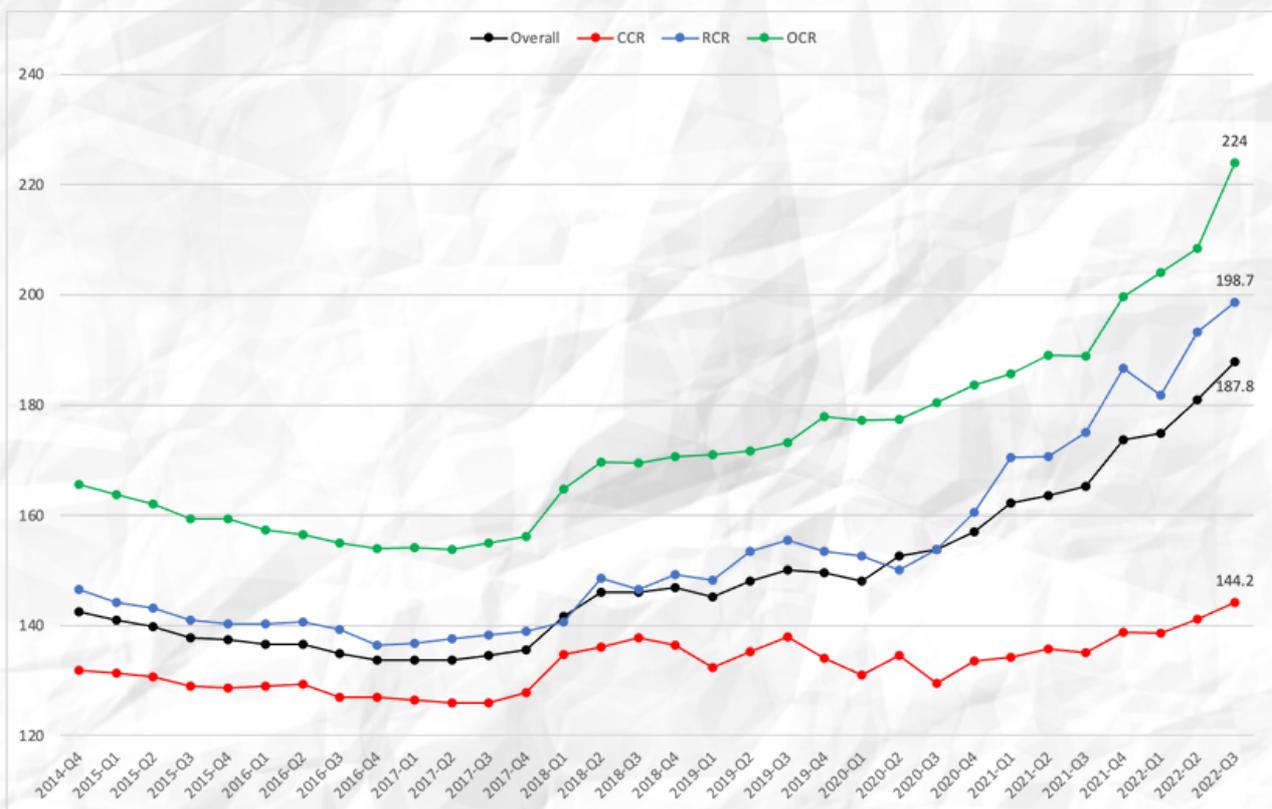
**COLLECTIVE SALES**

**TRANSFORMATIONS**

**HDB**



# Property Price Index



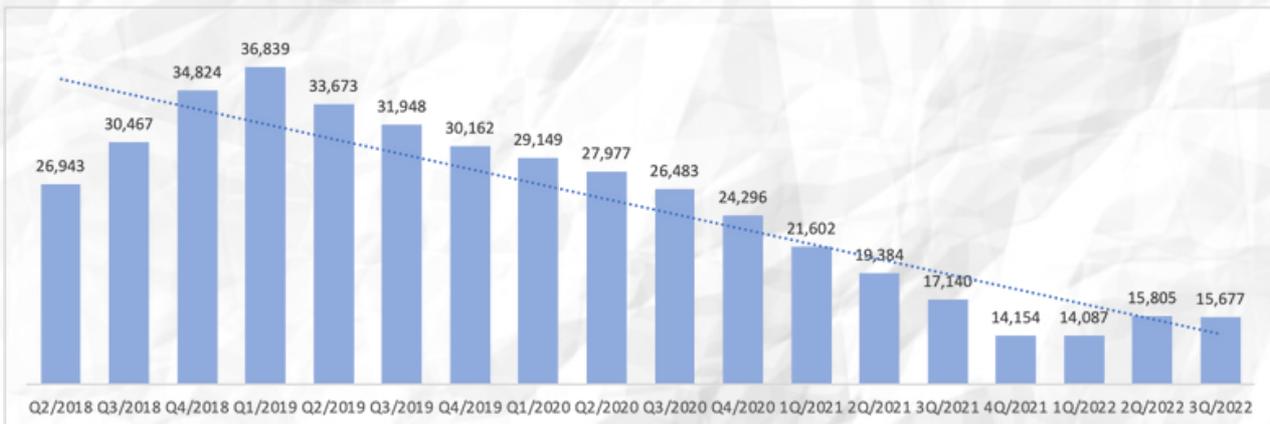
## PROPERTY PRICE INDEX

Private home prices in Singapore increased by 3.8% q-o-q in 3Q2022. This marks an acceleration from the 3.5% q-o-q growth recorded in the previous quarter. Bringing the overall private home price increase to 8.2% for the first three quarters of the year, higher than the 5.3% growth registered for the first nine months of 2021.

The price growth in 3Q2022 is the fastest since 4Q2021 and is largely driven by non-landed properties in the Outside Central Region (OCR) where prices accelerated to 7.5% from 2.1% in 2Q2022. This is the fastest pace of increase in OCR prices since 3Q2009.

The steep price growth in the OCR can be attributed to three major regional launches during the quarter – the 372-unit Amo Residence, which launched on July 23, the 158-unit Sky Eden@Bedok, which launched on Sept 7 and the 605-unit Lentor Modern which was launched on Sept 17.

# New Launch Supply & Demand



## NEW LAUNCH SUPPLY

Inventory of Unsold New Non-Landed Private Residential continues to stay low as Developers struggle to keep up with the market demand. While the government has released fresh new land supply into the market for the 2H2022 GLS Programme, these new developments will only be launching in 2023 and beyond.

With Interest rates expecting to hike and increased ABSD rates in the previous 2021 Cooling Measures, Developers are careful with their land bids in this market climate.



## NEW LAUNCH DEMAND

Demand for New Launches continues to stay robust (Next Chart: Take-up rate of New Homes). Every New Project launched in 2022 has been more than 75% sold. However, the overall volume for New Launches is at its lowest since 2017.

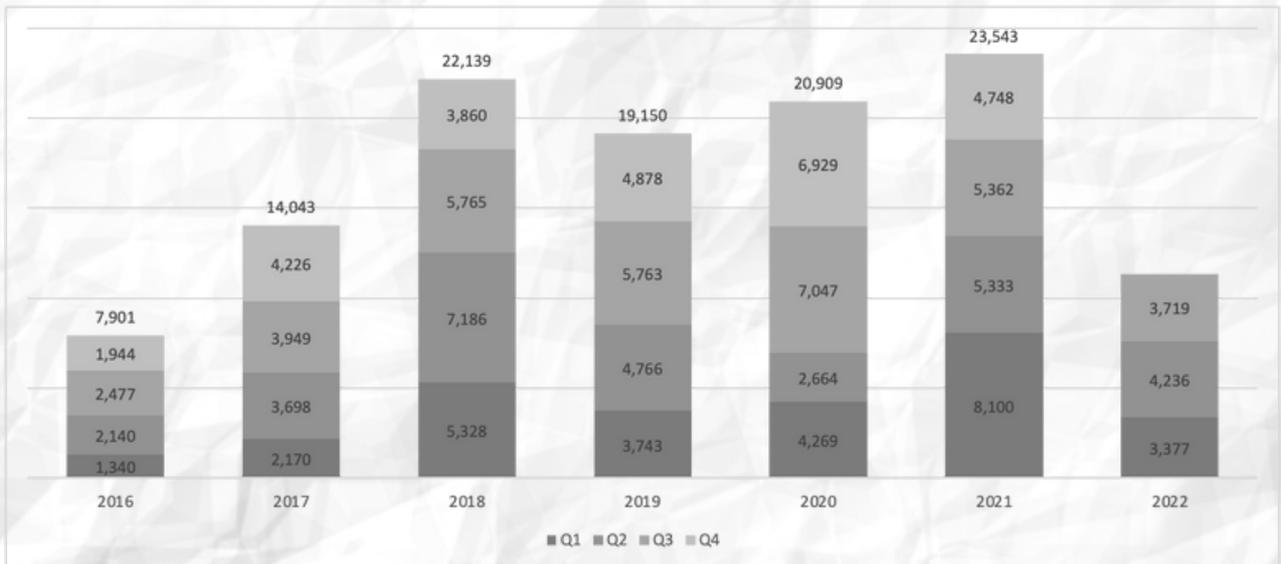
The recent 30 Sep 2022 cooling measures to curb borrowing by increasing the Stress-test has slightly reduced the borrowing power for the majority of the buyers. However, the low sales volume for New Launches is mainly due to the lack of options to choose from OCR and RCR, which make up the bulk of the purchases.

# Take-up Rates (New & Resale)



## NEW LAUNCH TAKE-UP RATE

Demand continues to out-strip new supply as more units are being sold as compared to new units being supplied. This High take-up rate has been ongoing for the last 6 quarters. The Take-up rate paints a clearer picture of the demand of New Homes.



## RESALE VOLUME

Resale Volume has also dipped by 40% Y-oY. This is the lowest volume since 2017. Market volume will continue to be stagnant due to the new round of 2022 cooling measures, which imposed a 15-month wait for Private Property Sellers buying a HDB.

# URA Revised Guideline



## **URA REVISED GUIDELINE**

In order to increase the central areas of Singapore as an attractive place to live, work and play for families, the URA introduced a new guideline on **18th Oct 2022** to stop the increasing number of shoebox units in the non-landed private residential properties.

With effect from Jan 18, 2023, all flats and condominiums in the central area, as well as the residential component of commercial and mixed-use developments, will be required to provide a minimum of 20 per cent of dwelling units with a nett internal area of at least 70 sqm, similar to the size of a 2 bedroom unit.

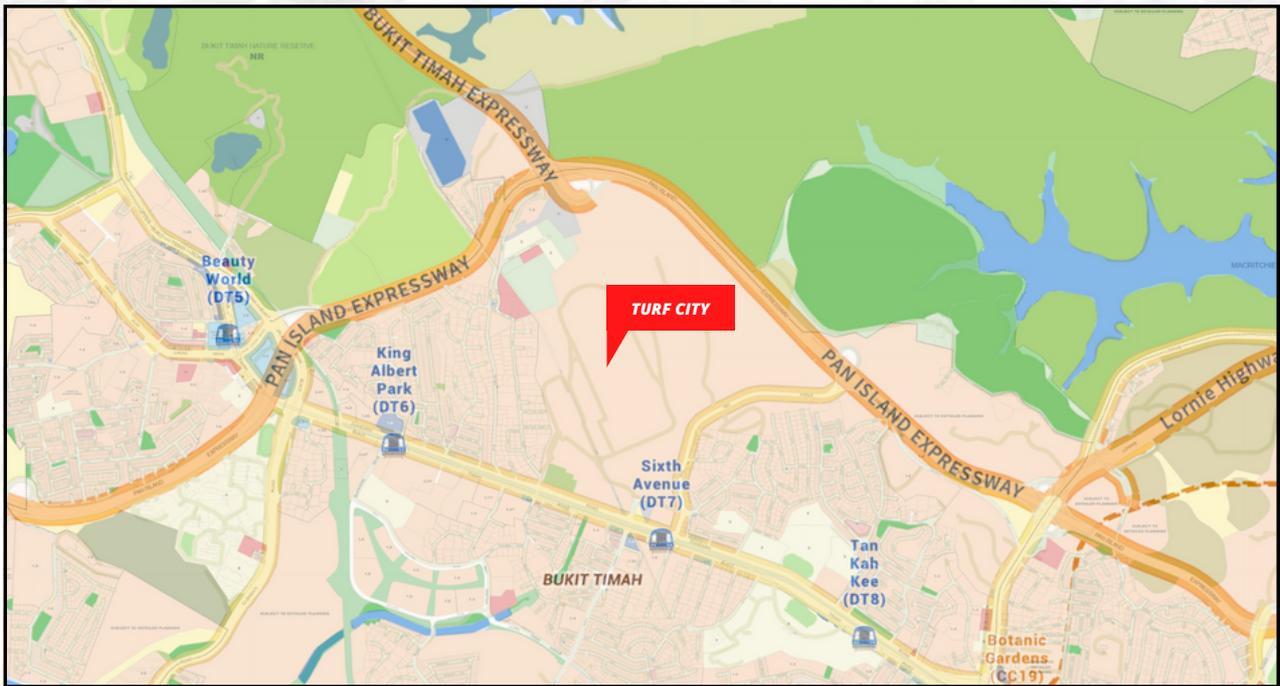
The central area covers 11 planning areas including Outram, Newton, River Valley, the Singapore River, Marina South, Marina East, Rochor, Orchard and the Downtown Core.

The median size of homes in the central regions has been shrinking, from 94 sq m five years ago to about 73 sq m now.

In 2018, the URA cut the maximum number of units allowed in new private flat and condo developments outside the central area in a bid to manage potential strains on infrastructure. The minimum average unit size for such developments outside the central area went up from 70 sq m to at least 85 sq m.

Following new rules to limit shoebox apartments, prices of smaller condominium units located in the central area could appreciate more compared to larger units in the next few years, if they are looking for something more palatable in size and prices.

# Transformations



## **TURF CITY REDEVELOPMENT**

Turf City redevelopment plans on track, agencies to continue engaging Turf City tenants on transition plans. The Turf City site has been safeguarded for future residential use since the Master Plan 1998.

This is to cater to future housing demand and provide a variety of housing choices in terms of location, density mix and forms to meet the diverse housing needs and aspirations of Singaporeans.

As announced by the Land Transport Authority on 20 September 2022, one of the six stations in Phase 2 of the Cross Island Line will be sited at Turf City, which will improve public transport accessibility and connectivity for the area. The redevelopment of brownfield sites such as Turf City will allow the Government to make optimal use of the land and transport infrastructure.

Works on the Cross Island Line as well as preparation works for the future residential development will commence progressively after the tenancies end on 31 December 2023.

# New Projects



## **COPEN GRAND (EC)**

With more than 2,300 Applications received for this 639 units development, Copen Grand sold 73% of its units on 22 Oct launch day, making it the best-selling EC project since 2018. A total of 465 units were sold on the first day of booking.

There has not been an EC launched in the west in the last five years, not since the 497-unit Inz Residence at Choa Chu Kang Avenue 5. Launched in 2017 by Qingjian Realty, the project was completed in 2019 and is fully sold. This then inevitably created a demand for ECs in the west side.

Copen Grand's overwhelming response is contributed by strong location attributes such as proximity to three upcoming MRT stations, which is quite rare for ECs. The development is also close to neighboring hubs Jurong Lake District, Jurong Innovation District and International Business Park.

Executive condominiums has always been popular amongst Singaporean home owners. This is because of its attractive entry price, albeit being a private condo in time to come. With the implementation of the latest cooling measures, aspiring EC homes are expecting some changes in their mortgage loan as well. The Launches of Copen Grand and Tenet (Tampines) will be a good test on the demand of ECs despite the implementation of cooling measures.

Having the first-mover advantage in this New Township, Tengah will also be the first car-lite zone with underground roads, freeing up space on the ground level. It will be a township where pedestrians and cyclists are given priority as compared to vehicles.

# HDB

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## **ULU PANDAN**

3,000 Build-to-Order (BTO) flats will be launched across three housing projects in the eastern half of Ulu Pandan. Comprising 1,330 units of 3-room and 4-room flats, the first project will be launched at the upcoming **November 2022 BTO** sales exercise.

In line with HDB's 'Designing for Life Roadmap', they'll be designed with a myriad of facilities, against the backdrop of lush greenery to support the physical, social and mental well-being of residents. As part of that, future residents can look forward to approximately 5 hectares of greenery, specially curated green-blue elements, and amenities that support health and wellness





## **KENSINGTON PARK**

The 999-year leasehold Kensington Park condominium has been re-launched for collective sale via public tender at \$1.28 billion. The residential site is a sizeable 491,000 sq ft rectangular plot nestled within the Serangoon Garden landed enclave. It has a plot ratio of 2.1 and a building height control of 24 storeys.

The guide price of \$1.28 billion includes the latest Singapore Land Authority land betterment charge (LBC) of \$209.8 million, which translates to a land price of \$1,444 psf per plot ratio (psf ppr). If the 7% bonus gross floor area allowed for balconies is included, the LBC payable is \$273.1 million, which translates to a lower land price of \$1,407 psf ppr.

Leasing demand at Kensington Park has been strong due to its proximity to International Schools such as Lycée Francais De Singapour and Australian International School, appealing to investors. Schools located within 1km of the development include the renowned Rosyth School and Zhonghua Primary School.



## **MEYER PARK**

The freehold residential site of Meyer Park has been relaunched for collective sale at a reserve price of \$420 million. The 60-unit seafront condominium sits on a land area of 96,672 sq ft facing the north-south direction. It has a 88m seafront frontage to the south and unobstructed views overlooking the landed housing enclave to the North.

Under the URA Master Plan 2019, it is zoned for residential use with a plot ratio of 2.8. Including the 7% bonus floor area, the maximum allowable gross floor area works out to some 289,628 sq ft.

The reserve price of \$420 million includes an estimated Land Betterment Charge of \$90.9 million, translating to a land rate of \$1,764 psf per plot ratio. The site could accommodate up to 251 residential units.

Situated on the city-fringe, it is within walking distance to Parkway Parade, i12 Katong, East Coast Park and the upcoming Katong Park MRT Station (on the Thomson-East Coast Line), expected to be operational in 2024.



## **LOYANG VALLEY**

Loyang Valley, a 362-unit condominium in Changi, is launching a collective sale with a reserve price of \$980 million.

The property's reserve price translates to a land rate of \$997 per square foot per plot ratio (psf ppr), including an estimated land betterment charge of about \$174 million and a lease upgrading premium of \$187 million. The land rate could be lowered to \$972 psf ppr after factoring in a 7 per cent bonus balcony gross floor area and an additional land betterment charge of \$57 million.

Loyang Valley, which has 59 years left on its lease, is located near the future Loyang MRT station. The 78,098.8 sqm site is zoned for residential use with a gross plot ratio of 1.6 under the 2019 Master Plan. It can yield approximately 1.35 million sq ft of gross floor area upon redevelopment.

A new development on the site can accommodate up to 1,249 residential units, averaging 1,076 sq ft each, subject to planning approval.

The site is close to major employment hubs such as Changi Business Park, Changi International LogisPark, Changi Aviation Park, the upcoming Changi East Industrial Zone and Changi Airport, as well as Singapore University of Technology and Design and the Singapore Expo.